

**REMARKS**

Claims 1-64 are pending in the application and stand rejected. Claims 1-5 16- and 38-41 stand rejected. Claims 1 and 38 have been amended. As discussed below, all pending claims are in condition for allowance.

**Rejection Of Claims 1-5 and 38-41 Under 35 U.S.C. § 102(e) As Being Anticipated By Pearlstein**

**Claim 1**

Claim 1 as amended recites a processor operable to receive a signal including an overlay frame and an encoded image having first and second regions, decode the first region of the image, modify the decoded first region to include the overlay frame, and re-encode the modified first region.

For example, referring, e.g., to FIGS. 8-9 and page 18, line 28 to page 20, line 4 of the present application, a television receiver system 130 includes a remote control 132 and an HDTV receiver/display 134. The system also includes a set-top box 136, which blends overlay frames with regions of respective video frames. The box 136 may receive The set-top box 136 of the system 130 includes a processing circuit 138, which receives an encoded, multiplexed broadcast video signal that includes one or more broadcast channels and one or more overlay frames such as the frames that compose an EPG. In response to a channel-select signal from a command decoder 140, a channel selector 142 demultiplexes the broadcast signal and provides a selected video-channel signal to an overlay-region decoder 144. When the viewer wants to view an overlay frame such as an EPG, he manipulates the remote control 132 to generate an overlay command. The command decoder 140 generates an overlay signal in response to the overlay command. In response to the overlay signal, the decoder 144 decodes the overlay frames and the overlay frame regions with which the overlay frames will be blended. For example, referring to Figure 8, the decoder 144 decodes the EPG and the overlay regions 122a-122c of the frames 114, 116, and 118, respectively. The decoder 144 decodes the EPG and the overlay regions 122a-122c down to the transform domain or all the way down to

the pixel domain. The decoder 144 does not, however, decode the non-overlay frame regions 120a-120c. Therefore, the decoder 144 provides the decoded EPG and overlay frame regions 122a-122c on an output terminal 145, and passes through the undecoded non-overlay regions 120a-120c to an output terminal 146. An overlay/region combiner 147 is coupled to the output terminal 145 of the decoder 144 and blends the decoded overlay frames with the decoded frame overlay regions in a manner described below. For example, the decoder 144 blends the decoded EPG with the decoded overlay frame regions 122a-122c. An overlay region re-encoder 148 re-encodes the blended overlay frame regions using conventional encoding techniques. For example, the re-encoder 148 re-encodes the blended overlay frame regions 122a-122c.

In contrast, Pearlstein fails to teach a processor operable to receive a signal including an overlay frame and an encoded image having first and second regions, decode the first region of the image, modify the decoded first region to include the overlay frame, and re-encode the modified first region. Pearlstein, at, e.g., FIG. 5 and col. 6, lines 47-57 teaches a video data insertion circuit 452 comprising a parser 454, a decoder 456, an unencoded data combining circuit 458, an encoder 460 and an encoded image data combining circuit 462. The video data insertion circuit 452 receives as its input compressed video, e.g., an encoded MPEG-2 bitstream including images to be modified and uncompressed local video data to be inserted. However, Pearlstein fails in any manner to teach or suggest a signal including both the bitstream and local video data.

#### **Claims 2-5**

Claims 2-5 are patentable by virtue of their dependency from claim 1.

#### **Claim 38**

Claim 38 as amended recites receiving an overlay frame, decoding a first region of an encoded image having a first region and a second region, and, in response to an overlay command, modifying the decoded first region to include the overlay frame.

In contrast, Pearlstein fails to teach receiving an overlay frame, decoding a first region of an encoded image having a first region and a second region, and, in response to an overlay command, modifying the decoded first region to include the overlay frame. Pearlstein, at, *e.g.*, FIG. 5 and col. 7, lines 15-20 teaches that, at a local station, the picture content, *e.g.*, one or more logos, to be applied or inserted to each selected local insertion subset of an image, is specified, *e.g.*, by supplying the uncompressed local video data to be inserted to the video data insertion circuit 452. However, Pearlstein fails to teach or suggest providing an overlay command separate and apart from providing the data to be inserted (overlay frame).

**Claims 39-41**

Claims 39-41 are patentable by virtue of their dependency from claim 38.

**CONCLUSION**

In view of the foregoing, all claims remaining in the application are in condition for allowance. Therefore, the issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes that a telephone conference would expedite prosecution of this application, please telephone the undersigned at (425) 455-5575. **The Examiner is respectfully requested to telephone the undersigned to discuss this paper prior to issuing a rejection of the claims in response thereto.**

In the event additional fees are due as a result of this amendment, you are hereby authorized to charge such payment to Deposit Account No. 08-2025.

Dated this 15th day of September 2005.

Respectfully submitted,

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